

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

January 18, 2013

Certified Return Receipt 7011 0110 0001 3568 0666

Thomas J. Clark Freemont Corporation P.O. Box 658 St. George, Utah 84771

Subject:

Deficient Reclamation Surety, Thomas J. Clark, TJ Clark Mine, S/015/0076, Emery

County, Utah

Dear Mr. Clark:

According to the School and Institutional Trust Lands Administration, lease ML 43260 for the referenced mine expired on March 1, 2007. The Division of Oil, Gas and Mining understands the Trust Lands Administration is holding a \$5,000.00 reclamation surety for this mine.

Because your lease expired you do not have the legal right to mine on the property. Permit fees have not been paid since 2006, so any approval from the Division is suspended.

In addition to these issues, the reclamation surety held by the Trust Lands Administration is inadequate. The Division has recalculated the surety based on your permitted area of one acre to be \$7,900.00 escalated for three years (surety amount next reviewed in 2016) or \$8,100.00 escalated for five years (surety amount next reviewed in 2018).

By April 1, 2013, please take the following actions:

- 1. Obtain a new lease from the Trust Lands Administration.
- 2. Pay the past due and current permit fees totaling \$900.00.
- 3. Increase the amount of reclamation surety to the amounts stated above. Please contact the Division's bonding coordinator, Penny Berry, at pennyberry@utah.gov or by telephone at 801-538-5291 for additional information.

If you fail to take these actions, the Division will withdraw the Notice of Intention to Commence Small Mining Operations.



Page 2 of 2 Thomas J. Clark S/015/0076 January 18, 2013

If you have questions or concerns regarding this letter, please contact me at 801-538-5261 or Wayne Western at 801-538-5263.

Paul Baker

Minerals Program Manager

PBB:ww:pb

cc: John Blake, SITLA, jblake@utah.gov
P:\GROUPS\MINERALS\WP\M015-Emery\S0150076-TJClark\final\escalate-01172013.doc